FINANCING MEMORANDUM

The European Commission, hereinafter referred to as "THE COMMISSION", acting for and on behalf of the European Community, hereinafter referred to as "THE COMMUNITY"

on the one part, and

The Government of the Republic of Poland, hereinafter referred to as "THE RECIPIENT"

on the other part,

HAVE AGREED AS FOLLOWS:

The measure referred to in Article 1 below shall be executed and financed out of the budget resources of THE COMMUNITY in accordance with the provisions set out in this Memorandum. The technical, legal, and administrative framework within which the measure referred to in Article 1 below shall be implemented is set out in the General Conditions annexed to the Framework Agreement of 31 May 1990 between THE COMMISSION and THE RECIPIENT, and supplemented by the terms of this Memorandum and the Special Provisions annexed hereto.

ARTICLE 1 - NATURE AND SUBJECT

As part of its aid programme, THE COMMUNITY shall contribute, by way of grant, towards the financing of the following MEASURE:

Programme number: 2002/000-580-01 till 2002/000-580-07
Title: 2002 National Programme for Poland - part II
Duration: Until 30 November 2004

ARTICLE 2 - COMMITMENT OF THE COMMUNITY

The financial contribution of THE COMMUNITY is fixed at a maximum of 252,259.531€ hereinafter referred to as "THE EC GRANT".

ARTICLE 3 - DURATION AND EXPIRY

For the present MEASURE, THE EC GRANT is hereby available for contracting until 30 November 2004 subject to the provisions of his Memorandum. All contracts must be signed by this date. Any balance of funds of the EC GRANT which have not been contracted by this date shall be cancelled. The deadline for disbursement of THE EC GRANT is 30 November 2005. All disbursements must be completed by the deadline for disbursement. THE COMMISSION may however, in exceptional circumstances, agree to an appropriate extension of the contracting period or of the disbursement period, should this be requested in due time and properly justified by THE RECIPIENT. This Memorandum shall expire at the expiry of the disbursement period of the EC GRANT. All the funds which have not been disbursed shall be returned to the Commission.
ARTICLE 4 - ADDRESSES

Correspondence relating to the execution of THE MEASURE, stating THE MEASURE'S number and title, shall be addressed to the following:

for the COMMUNITY:

Delegation of the European Commission in Poland
Emilii Plater 53
00 - 113 Warsaw
Poland
Fax: (+48-22) 520 82 82

for THE RECIPIENT:

Office of the Committee for European Integration
Al. Ujazdowskie 9
00 - 918
Warsaw
Fax: (+48-22) 455 53 33

ARTICLE 5 - NUMBER OF ORIGINALS

This Memorandum is drawn up in duplicate in the English language.

ARTICLE 6 - ENTRY INTO FORCE

This Memorandum shall enter into force on the date on which it has been signed by both parties. No expenditure incurred before this date is eligible for the EC GRANT.

The Annexes shall be deemed an integral part of this Memorandum.

Done at Warsaw
Date: .......... ....... 2002

for THE RECIPIENT

Mrs Danuta Hübner
Secretary of the Committee
for European Integration

for THE COMMUNITY

Mr. B. Dethomas
Head of the Delegation of the
European Commission in Poland

Encl.
1. Framework Agreement (Annexes A & B)
2. Special Provisions (Annex C)
3. Visibility/Publicity (Annex D)
FRAMEWORK AGREEMENT

The Commission of the European Communities, hereinafter referred to as "the COMMISSION", acting for and on behalf of the European Economic Community, hereinafter referred to as "the Community",

of the one part, and

The Government of the Republic of Poland, hereinafter referred to as Poland,

of the other part,

and together jointly referred to as "the Contracting Parties"

Whereas Poland is eligible to be a recipient under the Community's aid programme PHARE as provided for in the European Community Council Regulation n° 3906/89 of 18 December 1989

Whereas it is fitting that the technical, legal and administrative framework within which MEASURES financed in Poland under the Community's aid programme shall be executed, should be laid down.

HAVE AGREED AS FOLLOWS:

ARTICLE 1

In order to promote cooperation between the Contracting Parties with a view to supporting the process of economic and social reform in Poland, the Contracting Parties agree to implement MEASURES in the field of financial, technical, and other forms of cooperation as specified in the said Regulation, which shall be financed and implemented within the technical, legal and administrative framework laid down in this Agreement. The specific details of each MEASURE (or set of MEASURES) shall be set out in a memorandum to be agreed between the Contracting Parties (hereinafter referred to as "the financing memorandum"), a model of which is provided in annex C.

Poland takes all necessary steps in order to ensure the proper execution of all measures.
ARTICLE 2

Each MEASURE which is financed within the framework of this Agreement shall be implemented in accordance with the General Conditions set out in Annex A hereto, which shall be deemed to be incorporated in each financing memorandum.

The financing memorandum may vary or supplement the General Conditions as may be necessary for the implementation of the MEASURE in question.

ARTICLE 3

For matters relating to the MEASURES financed within the framework of this Agreement, the COMMISSION shall be represented by its Delegation (once this is established) in Warsaw which shall ensure, on behalf of the COMMISSION, that the MEASURE is executed in accordance with sound financial and technical practices.

ARTICLE 4

When the Contracting Parties so agree, the COMMISSION may delegate all or part of its responsibility for implementation of a MEASURE to a third party, state or agency.

In that event the terms and conditions of such delegation shall be set forth in an agreement to be concluded between the COMMISSION and the third party, state or agency, subject to the consent of the Government of Poland.

ARTICLE 5

Any dispute relating to this Agreement which cannot be resolved by consultation shall be settled according to the arbitration procedure referred to in Annex B.

ARTICLE 6 - NUMBER OF COPIES

This Agreement is drawn up in the English and Polish languages in two original copies. In case of divergencies between the two language versions, the English text prevails.

ARTICLE 7 - VALIDITY

This Agreement shall enter into force on the day the Contracting Parties inform each other of its approval in accordance with the existing internal legislation or procedure of each of the Parties. The Agreement shall continue to be in force for an indefinite period unless terminated upon written notification by one of the Contracting Parties to the other.

On termination of this Agreement any MEASURE still in the course of execution shall be carried out to its completion in accordance with the terms of the financing memorandum relating thereto, and of the General Conditions set out herein.
ARTICLE 8

The provisions of this Agreement shall also apply to technical cooperation and other operations convened between the Contracting Parties which by their nature are not covered by a specific memorandum financed under the PHARE aid programme at the request of the Government of Poland.

The Annexes shall be deemed an integral part of this Agreement.

Done at

Warsaw 31st Aug 1990

THE GOVERNMENT OF POLAND

THE COMMUNITY
ANNEX A
GENERAL CONDITIONS RELATING TO FINANCING MEMORANDA

In these General Conditions the term "THE RECIPIENT" shall be understood as referring to the Government of Poland.

TITLE I - FINANCING OF PROJECTS

ARTICLE 1 - COMMITMENT OF THE COMMUNITY

The commitment of the Community, hereinafter referred to as "the EEC Grant", the amount of which is laid down in the financing memorandum, shall determine the limit within which commitment and execution of payments shall be carried out through duly approved contracts and estimates.

Any expenditure over and above the EEC Grant shall be borne by THE RECIPIENT.

ARTICLE 2 - AVAILABILITY OF THE EEC GRANT

Where the execution of a MEASURE depends on financial commitments from THE RECIPIENT'S own resources or from other sources of funds, the EEC Grant shall become available at such time as the financial commitments of THE RECIPIENT and/or the other sources of funds, as set out in the financing memorandum, themselves become available.

ARTICLE 3 - DISBURSEMENT

Contracts are eligible for disbursements under this financing memorandum only if they are concluded before the expiry date of the Financing Memorandum. Disbursements on such contracts may take place during a maximum period of 12 months after the expiry date of the Financing Memorandum. Any exceptional extension of this period must be approved by the Commission.

Within the limit set on the EEC Grant, requests for funds in the form of a work programme shall be presented to the Commission Delegation by the RECIPIENT in accordance with the schedule set out in the financing memorandum. Documentary evidence relating to payments made in respect of THE MEASURE shall be made available in support of the request for funds, where the Commission so requires.

However, certain contracts covered by THE MEASURE may provide for direct payment by THE COMMISSION to the contractors. Each contract shall lay down the rate and the time of such payments, together with the documentary evidence to be produced.

For the part of the programme implemented by the Recipient, the Implementing Authority shall submit in a Work Programme and not later than 9 months before the expiry date of the Financing Memorandum, for approval by the Commission the contracts that still have to be concluded for the implementation of the programme. The Work Programme should include proposals for the utilisation of the net interests accrued on the accounts opened in the implementation of the programme, under the condition that the whole of the EC grant will be previously committed.

As regards MEASURES executed on the basis of prepared estimates, a first payment installment which, save where the financing memorandum otherwise provides, shall not exceed 20% of the amount of the estimate approved by THE COMMISSION, may be made in favour of THE
RECIPIENT in order to facilitate the launching of THE MEASURE. Other payment instalments shall be made available, at the request of THE RECIPIENT, subject to the same conditions set out in the paragraph 2 above.

**TITLE II - PROCUREMENT**

**ARTICLE 4 - GENERAL**

The procedure to be followed for the conclusion of works, supplies, and technical cooperation contracts, shall be laid down in the financing memorandum following the principles set out below.

**ARTICLE 5 - CONDITIONS OF PARTICIPATION**

1. Save under the conditions of art.6 THE COMMISSION and THE RECIPIENT take the MEASURES necessary to ensure equality of conditions for participation in such contracts, in particular by publication, in due time of invitations to tender. Such publication is to be made for the Community at least in the Official Journal of the European Communities and for the beneficiary states in the appropriate official journal.

2. General conditions of contracts shall be drawn up in conformity with the models in international use, such as the general regulations and conditions for supply contracts financed from PHARE funds.

**ARTICLE 6 - DEROGATION FROM STANDARD PROCEDURES**

Where the urgency of the situation is recognized or where justified on account of the nature, minor importance, or particular characteristics of certain MEASURES, (for example two stage financing operations, multi-phased operations, particular technical specifications, etc.), and related contracts, THE RECIPIENT may, in agreement with THE COMMISSION, exceptionally authorize:

- the placing of contracts after restricted invitations to tender;
- the conclusion of contracts by direct agreement;
- the performance of contracts through public works departments.

Such derogation shall be laid down in the financing memorandum.

**ARTICLE 7 - AWARD OF WORKS AND SUPPLIES CONTRACTS**

THE COMMISSION and THE RECIPIENT shall ensure that for every operation, the offer selected is economically the most advantageous, particularly in view of the qualifications and guarantees offered by the tenderers, the cost and quality of the services, the nature and conditions for execution of the works or supplies, their cost of utilization and technical value.

Results of the invitations to tender shall be published in the Official Journal of the European Communities as quickly as possible.

**ARTICLE 8 - TECHNICAL COOPERATION CONTRACTS**

1. Technical Cooperation contracts, which may take the form of studies, supervision of works or technical assistance contracts, shall be concluded after direct negotiation with the consultant or when technical, economic or financial reasons so justify, following invitation to tender.

2. Contracts shall be drawn up, negotiated and concluded either by THE RECIPIENT or by THE COMMISSION when the financing memorandum so provides.
3. Where contracts are to be drawn up, negotiated and concluded by THE RECIPIENT, THE COMMISSION shall put forward a short list of one or more candidates on the basis of criteria guaranteeing their qualifications, experience and independence and taking into account their availability for the project in question.

4. When there is to be a direct negotiation procedure and THE COMMISSION has proposed several candidates, THE RECIPIENT may freely choose the candidate with which it intends to conclude the contract from among those put forward.

5. When there is recourse to a tendering procedure, the contract shall be awarded to the candidate which has submitted the offer which is acknowledged by THE RECIPIENT and THE COMMISSION to be economically the most advantageous.
TITLE III - GRANT OF FACILITIES

ARTICLE 9 - GENERAL PRIVILEGES

Personnel taking part in Community financed MEASURES and members of their immediate family may be accorded no less favourable benefits, privileges and exemptions than those usually accorded to other expatriates employed in the state of THE RECIPIENT under any other bilateral or multinational agreement or arrangements for economic assistance and technical cooperation programmes.

ARTICLE 10 - ESTABLISHMENT, INSTALLATION, ENTRY AND RESIDENCE FACILITIES.

In the case of works, supply or service contracts, natural or legal persons eligible to participate in tendering procedures shall be entitled to temporary installation and residence where the importance of the contract so warrants. This right shall be acquired only after the invitation to tender has been issued and shall be enjoyed by the technical staff needed to carry out studies preparatory to the drawing up of tenders; it shall elapse one month after the contractor is designated.

THE RECIPIENT shall permit personnel taking part in works, supplies or services contracts financed by the Community, and members of their immediate family, to enter the state of THE RECIPIENT, to establish themselves in the State, to work there and to leave the said State, as the nature of the contract so justifies.

ARTICLE 11 - IMPORT AND RE-EXPORT OF EQUIPMENT

THE RECIPIENT shall grant the permits necessary for the importation of professional equipment required to execute THE MEASURE, subject to existing laws, rules and regulations of THE RECIPIENT.

THE RECIPIENT shall further grant natural and legal persons who have executed works, supplies or services contracts the permits required to re-export the said equipment.

ARTICLE 12 - IMPORTS AND EXCHANGE CONTROL

For the execution of MEASURES, THE RECIPIENT undertakes to grant import authorizations and authorizations for the acquisition of the foreign exchange, and to apply national exchange control regulations without discrimination between Member States of the Community, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia and the Former Yougoslav Republic of Macedonia.

THE RECIPIENT shall grant the permits necessary to repatriate funds received in respect of THE MEASURE, in accordance with the foreign exchange control regulations in force in the state of THE RECIPIENT.

ARTICLE 13 - TAXATION AND CUSTOMS

Taxes, customs and import duties shall not be financed out the EEC Grant.

2. Imports under supply contracts concluded by the authorities of THE RECIPIENT and financed out of the EEC Grant shall be allowed to enter the state of THE RECIPIENT without being subject to customs duties, import duties, taxes or fiscal charges having equivalent effect.

- THE RECIPIENT shall ensure that the imports concerned will be released from the point of entry for delivery to the contractor as required by the provisions of the contract and for immediate use as required.
for the normal implementation of the contract, without regard to any delays or disputes over the settlement of the above-mentioned duties, taxes or charges.

3. Contracts for supplies or services provided by Polish or external firms, financed out of the EC Grant shall not be subject in the state of THE RECIPIENT to value added tax, documentary stamp or registration duties or fiscal charges having equivalent effect, whether such charges exist or are to be instituted.

4. Natural and legal persons, including expatriate staff, from the Member States of the European Community executing technical cooperation contracts financed out of the EEC Grant shall be exempted from business and income tax in the state of THE RECIPIENT.

5. Personal and household effects imported for personal use by natural persons (and members of their immediate families), other than those recruited locally, engaged in carrying out tasks defined in technical cooperation contracts shall be exempt from customs duties, import duties, taxes and other fiscal charges having equivalent effect, the said personal and household effects being either re-exported or disposed of in the state in accordance with the regulations in force in the state of THE RECIPIENT after termination of the contract.

5. Natural and legal persons importing professional equipment, as provided for in Article 11, shall, if they so request, benefit from the system of temporary admission as defined by the national legislation of THE RECIPIENT in respect of the said equipment.

**TITLE IV - EXECUTION OF CONTRACTS**

**ARTICLE 14 - ORIGIN OF SUPPLIES**

THE RECIPIENT agrees that, save when otherwise authorized by THE COMMISSION, materials and supplies required for execution of contracts must originate in the Community, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia and the Former Yugoslav Republic of Macedonia.

**ARTICLE 15 - PAYMENT PROCEDURES**

1. For contracts financed out of the EEC Grant, tenders shall be drawn up and payments made, either in European Currency Units (ECU), or in accordance with the foreign exchange laws and regulations of the RECIPIENT in the currency of THE RECIPIENT, or in the currency of the state where the tenderer has his registered place of business, or in the currency of the state where the supplies were produced.

2. When tenders are drawn up in ECU, payments relating thereto shall be made, as appropriate, in the currency named in the contract, on the basis of the equivalent value of the ECU on the day preceding payment.

3. THE RECIPIENT and THE COMMISSION shall take all measures necessary to ensure execution of payments within the shortest possible time.
TITLE V - COLLABORATION BETWEEN THE COMMISSION AND THE RECIPIENT

ARTICLE 16 - INSPECTION AND AUDIT

1. THE COMMISSION shall have the right to send its own agents or duly authorised representatives to carry out any technical or financial mission or audit that it considers necessary to follow the execution of THE MEASURE. However, THE COMMISSION shall give the authorities of THE RECIPIENT advance notice of such missions.

THE RECIPIENT shall supply all information and documents which shall be requested of it, and take all suitable measures to facilitate the work of persons instructed to carry out audits or inspections.

2. THE RECIPIENT shall

(a) maintain records and accounts adequate to identify the works, supplies or services financed under the financing memorandum in accordance with sound accounting procedures;
(b) ensure that the aforementioned agents or representatives of THE COMMISSION have the right to inspect all relevant documentation and accounts pertaining to items financed under the financing memorandum, and assist the Court of Auditors of the European Communities to carry out audits relating to the utilization of the EEC Grant.

The Commission may also carry out an ex-post evaluation and a final audit of the programme. The ex-post evaluation will assess the achievement of the objectives/targets of the programmes as well as the impact on the development and restructuring of the sector concerned.

The final audit will review the local financial data of the programme, providing an independent opinion on the reliability and consistency of contracts and disbursements as well as their compliance with the provisions of the Financing Memorandum. The audit will establish the balance of uncommitted and/or undisbursed funds which shall be reimbursed to the Commission.

ARTICLE 17 - FOLLOW-UP OF MEASURES

In following the execution of THE MEASURE, THE COMMISSION may request any explanation and, where necessary, may agree with THE RECIPIENT on a new orientation for THE MEASURE which is deemed to be better adapted to the objectives in view.

THE RECIPIENT shall make reports to THE COMMISSION following the time-schedule laid down in the financing memorandum, throughout the period of execution of THE MEASURE and after completion thereof.

The Commission will in the light of the reports and where appropriate of the ex-post evaluation, proceed to the official closure of the programme and will inform the recipient country of the date of official closure of the programme.

TITLE VI - GENERAL AND FINAL PROVISIONS

ARTICLE 18 - CONSULTATION - DISPUTES

1. Any question relating to execution or interpretation of the financing memorandum or these General Conditions shall be the subject of consultation between THE RECIPIENT and THE COMMISSION, leading, where necessary, to an amendment of the financing memorandum.

2. Where there is a failure to carry out an obligation set out in the financing memorandum and these General Conditions, which has not been the subject or remedial measures taken in due time, THE COMMISSION may suspend the financing of the MEASURE, after consultation with THE RECIPIENT.
3. THE RECIPIENT may renounce in whole or in part the execution of THE MEASURE. The Contracting Parties shall set out the details of the said renunciation in an exchange of letters.

ARTICLE 19 - NOTICE - ADDRESSES

Any notice and any agreement between the parties provided for herein must be the subject of a written communication referring explicitly to the number and title of THE MEASURE. Such notices or agreements shall be made by letter sent to the party authorized to receive the same, and sent to the address notified by the said party. In case of urgency, telefax, telegraphic or telex communications shall be permitted and deemed to have been validity served, provided that they are confirmed immediately by letter. The addresses are set out in the financing memorandum.
ANNEX B

ANNEX B  ARBITRATION

Any dispute between the Contracting Parties, arising out of the Framework Agreement or a financing memorandum, which is not settled by applying the procedures laid down in Article 18 of the general conditions relating to financing memorandum, shall be submitted to arbitration by an Arbitral Tribunal as hereinafter provided.

The parties to such arbitration shall be THE RECIPIENT on the one side and THE COMMISSION on the other side.

The Arbitral Tribunal shall consist of three arbitrators appointed as follows:

one arbitrator shall be appointed by THE RECIPIENT
a second arbitrator shall be appointed by THE COMMISSION
the third arbitrator (hereinafter sometimes called "THE UMPIRE") shall be appointed by agreement of the parties or, if they shall not agree, by the Secretary-General of the United Nations.

If either side fail to appoint an arbitrator, such arbitrator shall be appointed by THE UMPIRE.

Should any arbitrator appointed in accordance with this provision resign, die or become unable to act, another arbitrator shall be appointed in the same manner as the arbitrator whose place he takes; such successor shall have all the powers and duties of the original arbitrator.
Annex C - Special Provisions

1. Strategy

The Phare 2002 programme draws on the findings of the 2001 Regular Report and has been elaborated on the basis of the overall priorities outlined in the 2001 Accession Partnership to ensure that assistance would be provided in those areas which have the greatest needs in view of preparing for EU membership. In order to implement the priorities set out in the Accession Partnership, the Polish authorities have elaborated a National Programme for the Adoption of the Acquis.

The Accession Partnership continues to provide the single framework through which the priority areas for further work are identified regarding progress to be made by Poland towards membership of the European Union, the financial means available to implement these priorities and the conditions which will apply to that assistance.

In this context, an Action Plan for strengthening the administrative and judicial capacity was elaborated with the Polish authorities. As announced in the Commission's 2001 Enlargement Strategy paper, the purpose of this Action Plan is to identify the steps that are required in order for Poland to achieve an adequate level of administrative and judicial capacity by the time of accession. As a result, an additional 52 million EUR of Phare assistance was programmed to specifically address issues identified in the Action Plan, as part of the overall indicative allocation available to Poland.

All projects proposed by Poland for Phare 2002 were examined to see whether they were relevant to the priorities of the Accession Partnership, the Regular Report and the Action Plan, whether they would have an impact on Poland’s alignment or implementation of the acquis, whether they were cost-effective, technically and institutionally ready and whether conditionalities and implementation arrangements were clear.

Phare is focusing in 2002 on institution building projects and investment in the acquis in order to strengthen the administrative capacity of Poland to adopt and implement the acquis in the fields of agriculture and fisheries, environment, justice and home affairs, finance, labour, internal market, economic and social cohesion, and participation of Poland in Community programmes and agencies.

As a result, a National Programme Part II has been prepared, amounting to 252,259,531 EUR around the following objectives:

Objective 1: Strengthen institutional and administrative capacity
Objective 2: Internal market
Objective 3: Justice and Home Affairs
Objective 4: Agriculture and Fisheries
Objective 5: Environment
Objective 6: Economic and Social Cohesion
Objective 7: Participation in Community Programmes and Agencies

2. Objectives and project description

Objective 1: Strengthen institutional and administrative capacity
Project 01.01: Strengthen PIFC: this project addresses a 2001 Accession Partnership (AP) priority and will provide cofinancing for institution building to help develop Poland's public internal financial control system, notably through the training of internal audit and financial management staff and the establishment of internal audit support mechanisms and systems, including, inter alia, the development of the full legal framework, audit guidelines and tools, production and distribution of manuals, systems for reporting, and training programmes.

Project 01.02: Development of ESF management capacities: this project will address a 2001 AP priority and is a direct continuation of a Phare 2001 project. It will cofinance institution building and equipment for the further development of programming and management capacities in Poland for future implementation of the European Social Fund and help set up a coherent system of ESF implementation in Poland. The institution building part of this project will be implemented partly via twinning.

Project 01.03: Preparation for the Cohesion Fund: this project will address a 2001 AP priority and is also a continuation of Phare projects financed in the past regarding the preparation of Poland for Structural Funds. This project will cofinance twinning and technical assistance for the preparation of Poland in the programming and implementation of the Cohesion Fund, notably to improve the capacity to identify and programme CF projects, help develop a procedures manual, improve the capability to undertake financial and economic analyses of projects, help prepare model tender and contracting documents, and strengthen the relevant ministries in project management and preparation functions as a whole, including through the provision of training.

Project 01.04: Equal treatment of women and men: this project will address a 2001 AP priority and will cofinance twinning, technical assistance and some equipment to support Poland in the development and implementation of equal treatment policies, notably by strengthening the legal framework and policy enforcement mechanisms and by developing tools for gender mainstreaming policy, including analytical tools. This will also include an improved understanding of issues related to gender equality, establishment of monitoring and policy evaluation mechanisms and awareness raising throughout the society.

Project 01.05: Coordination of labour market institutions: this project will address a 2001 AP priority and will cofinance technical assistance, training and a small grants scheme to improve the coordination between labour market institutions and public employment services, promote best practice for a more effective use of labour market instruments and support local initiatives in the area of institutional services for the labour market. This project will be coordinated with other projects cofinanced by the Phare programme in previous years and this year regarding human resources development, economic and social cohesion and institution building projects regarding the preparations of Poland's administrative capacity for the future European Social Fund. A particular emphasis will be placed on training.

Project 01.06: OHS regarding biological agents at work: this project will address a 2001 AP priority and will cofinance institution building and equipment to fully harmonise Polish Occupational Safety and Health legislation with EC Directive 2000/54 on the protection of workers from risks related to exposure to biological agents at work, to strengthen the capacities of the Sanitary Inspection to this effect and to establish a national focal point for biological agents for participation in the European network.
will also include education and training and the modernisation of laboratory equipment to ensure that EU rules and guidelines can be properly applied in Poland for this particular purpose. The institution building part of this project will be the subject of twinning.

Project 01.07: Preparation for CSF and ERDF: this project will address a 2001 AP priority and will cofinance institution building to further prepare Poland’s public administration for the coordination of CSF and implementation of ERDF funded programmes and projects. In particular, the project will help enhance the capability of the future CSF managing authority to fulfil coordination, programming, management, monitoring, evaluation and controlling functions deriving from the Structural Funds regulations, to develop similar capacities for Sectoral and other Operational Programmes and to enhance the capabilities of institutions and ministries involved in the preparation, implementation, monitoring and evaluation of projects financed from ERDF. This project will be the subject of twinning.

Project 01.08: Preparation of the project pipeline for ERDF: this project will address a 2001 AP priority and will cofinance technical assistance to help Poland prepare the project pipeline for the European Regional Development Fund. Assistance will be provided basically in two areas of activities: assistance for the preparation of projects and assistance for procedures and training. This will also include guidelines and checklists for the identification and preparation of ERDF projects, as well as an adequate number of projects fully prepared. The project will also cofinance training for the staff of institutions responsible for project preparation and selection. This project will be coordinated with projects financed from previous Phare funding and institution building projects for the preparation for Structural Funds described above.

Project 01.09: Public finance management: this project will address a 2001 AP priority and will cofinance twinning, technical assistance, training and equipment to improve Poland’s public finance management system, in particular by increasing the effectiveness of planning and reporting data by budgetary spending units and local governments, control of the consolidated state budget, optimisation of budgetary allocations, and improve the quality and effectiveness of local government budget analysis and subsidy system.

Objective 2: Internal Market

Project 02.01: Strengthen the food control administration: this project will address a 2001 AP and will be implemented in coordination with Phare projects on food safety and food control, financed in previous years. It will cofinance further institution building, training and equipment to strengthen the Sanitary Inspection in Poland, especially at the powiat level, including improving working methods of official food control, upgrading of the professional qualifications and knowledge of the sanitary inspectors and implementing the new methodology of sanitary surveillance. The institution building part of this project will be implemented via twinning.

Project 02.02: Risk assessment and chemicals control: this project will address a 2001 AP priority and will cofinance institution building and equipment to help prepare the inventory of new chemical substances on the Polish market, improve the capabilities of the Polish authorities on risk assessment of chemicals used in Poland and provide support for risk assessment, as well as ensuring, through development of human resources and infrastructure, the full implementation of Community law and practice regarding placing
on the market and the use of chemicals and particular surveillance. The institution building part of this project will be the subject of twinning.

*Project 02.03: Improve public procurement rules and practices:* this project will address a 2001 AP priority and, following on from a Phare 2001 project, will cofinance technical assistance and equipment to improve the application of EC compatible public procurement regulations at national, regional and local levels of administration and among potential bidders and suppliers, through the dissemination of information, preparation of a practical guide on public procurement, elaboration of training materials and training of the users of the public procurement system in Poland.

*Project 02.04: Coordination of social security systems:* this project will address a 2001 AP priority and will follow on from a Phare 1999 project. It will provide cofinancing for twinning and technical assistance to further prepare Poland’s social security administration for the Community’s system of social security coordination, notably by providing appropriate training to the staff of the competent authorities, to help prepare analyses and assessments of Polish legislation for its compliance with the acquis, and dissemination of information towards the public on rights and obligations of the system.

*Project 02.05: Financial Intelligence Unit:* this project will address a 2001 AP priority and will provide cofinancing for twinning and equipment to prepare and adapt the organisational and technical standards of the Polish Financial Intelligence Unit to effectively fight money laundering. This will include arrangements for cooperation and exchange of information with similar units of the Member States and developing relations with law enforcement agencies and other administrative bodies in Poland, thereby ensuring that the operations of the unit in Poland are brought in line with the acquis.

*Project 02.06: Strengthen Poland’s administration for benefits in kind:* this project will address a 2001 AP priority and will provide cofinancing for institution building and equipment to prepare and strengthen Poland’s public administration and health insurance institutions for the administration of health benefits in kind and the settlement of costs of benefits provided within the Community’s system of coordination of social security. This will include the development of organisational structures, creation of databases and the establishment of an operational system for cost settlement, including training programmes for employees of relevant institutions. Part of the institution building of this project will be the subject of twinning.

*Project 02.07: Recognition of qualifications for medical professions:* this project will address a 2001 AP priority and will provide cofinancing for institution building and equipment to introduce a system of recognition of qualifications in medical professions in accordance with Community law. This will include inter alia support for the development of a unit within the Ministry of Health, uniform procedures and administrative practices, monographs, a system of information and data management, as well as a system for the issuance of licenses and cofinancing of training programmes. Part of the institution building of this project will be the subject of twinning.

**Objective 3: Justice and Home Affairs**

*Project 03.01: Twinning for border management and visa policy:* This project will address a 2001 AP priority and will cofinance one twinning agreement for the further
development of the border management and control system and for the implementation of Poland’s visa policy in line with EU standards.

Project 03.02: Twinning for asylum administration: This project will address a 2001 AP priority and will cofinance one twinning agreement to strengthen Poland’s institutions for asylum administration, including streamlining of procedures, procedural technology, special procedures and treatment, integration of refugees and training of the staff of institutions at all levels to this effect.

Project 03.03: Sea border protection system: This project will address a 2001 AP priority and is a continuation of a Phare 2000 (from which the design and feasibility study is being financed) and 2001 project (which foresaw a pilot phase to this effect). It will cofinance the construction of a second section of the automated radar system of monitoring Polish sea areas which should help detect sea border crossings. This project will allow the Polish Border Guard to cover more sea surface with radar surveillance. This project will only start when the feasibility study, referred to above, has been submitted and agreed.

Project 03.04: Eastern Border Small Projects Fund: this project will address a 2001 AP priority and will cofinance a small project fund (SPF) to support Poland’s Integrated Eastern Border strategy, namely to help the border regions to overcome specific development problems and to develop cooperative networks on both sides of the border notably in the Euroregions along the border. In pursuing these objectives, and based on the positive experience of similar funding in previous years, the SPF provides a flexible approach to funding smaller-scale actions, which are defined on the basis of local/regional needs, and which have a cross-border impact. The projects shall support small-scale people-to-people actions covering the following priority areas in the first place: local economic development including tourism development, health, information and communication, cultural exchanges, information and communication, training, employment and education actions. Implementation of this SPF will follow the guidelines for small project funds. It is expected that actions undertaken by this project will find complementary funding under parallel schemes provided by the Tacis programme.

Project 03.05: Eastern Border Small Infrastructure Projects Fund: this project will address a 2001 AP priority and will cofinance a small infrastructure project fund (SIPF) to support cross border cooperation of Polish institutions situated at the Eastern border of Poland, provided these meet, inter alia, the following criteria: have a strong and evident cross border impact; funding will only be used on the territory of Poland; located in two lines of poviatos adjacent to the Eastern border; have a public character and not generate substantial net revenue; be related to small projects not exceeding 300,000 EUR of Phare support in each case; develop cooperative networks on both sides of the border notably in the Euroregions along the border; be defined on the basis of local/regional needs; covering the following priority areas in the first place: economic development, cross border tourism, cultural exchanges, transportation, environmental protection. Implementation of this SIPF will follow the guidelines for small infrastructure project funds followed in previous years on the Poland-Germany border. It is expected that actions undertaken by this project will find complementary funding under parallel schemes provided by the Tacis programme.

Project 03.06: Border crossing Goldap-Gusiew: this project will be the second phase of the construction and upgrading of the border crossing at Goldap-Gusiew and will
cofinance road and technical infrastructure and the working structures necessary for the proper enactment of the customs clearance procedures and immigration controls. This should ensure that customs and other controls take place in secure conditions and that cross border crime and customs fraud can be eliminated. At the same time, this project will allow to increase the capacity of this border crossing and reduce waiting times at this border.

*Project 03.07: Fight against crime III:* this project will address a 2001 AP priority and continues Phare 2000 and 2001 projects. It will cofinance further equipment procurement to combat crime notably telecommunications and computer equipment for central, regional and local police stations and for the police headquarters, in particular for criminal analysis and to further enhance cooperation with the Schengen information system and Europol. This project will be implemented under the guidance of the twinning project.

**Objective 4: Agriculture and Fisheries**

*Project 04.01: TSE control in Poland:* this project will address a 2001 AP priority and will cofinance institution building, equipment and supplies to help Poland upgrade and speed up its screening for TSE (Transmissible Spongiform Encephalopathy), to implement technical harmonisation and to ensure that its laboratory network meets the required qualitative and quantitative levels of operations in this respect. The upgrading of TSE control forms an important element of the actions aimed at the modernisation of the meat producing and animal waste control sectors and this requires the introduction of appropriate levels and quality standards of testing and diagnosis as the basis for policy action. Part of the institution building of this project will be the subject of twinning.

*Project 04.02: Implementation of a milk quota system in Poland:* this project will address a 2001 AP priority and will cofinance institution building, equipment and supplies to help Poland set up and implement a milk quota management system. This will include the preparation of the Agricultural Market Agency (AMA), purchasing entities and the agricultural advisory services system in Poland for the organisational and management functions needed to operate a milk quota system. The dairy sector represents an important part of Agriculture in Poland and it is necessary to prepare Poland’s institutions for these management mechanisms. An important part of the institution building of this project will be the subject of twinning.

*Project 04.03: Preparation of AMA as paying agency:* this project will address a 2001 AP priority and will cofinance institution building and equipment to ensure that the Agricultural Market Agency can be prepared to function as a future paying agency responsible for the administration of CAP market mechanisms. This project is a continuation of Phare funding provided in previous years and should complete the preparation of AMA for these functions. This will require an important IT component and it is therefore essential that a proper AMA IT strategy is further developed and implemented. This project will also include an important training component. The institution building of this project will be the subject of twinning.

*Project 04.04: I&B for FIFG:* this project will address a 2001 AP priority and will cofinance institution building and equipment to strengthen the public fisheries administration in Poland for participation in the structural policy for the fisheries sector and for management and implementation of the Financial Instrument for Fisheries
Guidance (FIFG). This project is a continuation of Phare funding provided in previous years and should build on the results of these projects. This will include further support for the development of programming, management, monitoring, evaluation and control capabilities of the future FIFG managing authority and the strengthening of relevant institutions in this respect. The institution building of this project will be the subject of twinning.

**Objective 5: Environment**

*Project 05.01: Implementation of the Water Framework Directive:* this project addresses a 2001 AP priority and aims at the implementation of the Water Framework Directive, in particular through the introduction of a river basin oriented water management system and water management instruments, addressing local, regional and national levels. Part of the institution building of this project will be implemented via twinning. The investment part will cofinance IT equipment for the data collection and processing system and laboratory equipment for the national and regional inspectorates of environmental protection and national and regional water boards and other institutions involved.

*Project 05.02: Monitoring of drinking water quality:* this project will address a 2001 AP priority and will cofinance institution building and equipment to adapt the water quality surveillance and control systems in Poland to the requirements of Council directive 98/83/EC and develop the drinking water monitoring system. Part of the institution building of the project will be implemented via twinning.

*Project 05.03: Strengthen environmental protection:* this project addresses a 2001 AP priority and will cofinance institution building and equipment to improve the capacities of local and regional government in Poland (in particular at voivod level) to implement environmental regulations and promote sustainable development, in particular through training programmes, dissemination of information on environmental protection, and educational information services towards the local population and the business community. Part of the institution building part of the project will be implemented via twinning.

*Project 05.04: Control of waste shipments:* this project will address a 2001 AP priority and will cofinance institution building and equipment to ensure the effective supervision and control over transboundary movement of waste and to increase the effectiveness of the services in Poland (environmental inspectorate, customs, border guards) on supervision and control of shipment of waste within, into and out of the EU. Part of the institution building of this project will be implemented via twinning.

**Objective 6: Economic and Social Cohesion**

Economic and Social Cohesion is a priority of the 2001 Accession Partnership with Poland. In January 2002, the Polish Government approved a preliminary National Development Plan (pNDP) 2002-2003. This identified the critical development gaps between its regions and between itself and the EU, presented key development priorities regarding economic and social cohesion, and put forward a general financial perspective for Government and Community financing in this area for the period 2002-2003. This pNDP should be seen as an important step towards the on-going preparation of the NDP itself.
As was the case in previous years, under this Economic and Social Cohesion programme, Phare will cofinance measures and projects to increase the activity of the productive sector, to strengthen human resources development, and to improve business related infrastructure. In this respect, the target regions all elaborated an operational regional development plan, which analysed the strengths and weaknesses of each region, its priorities and measures.

Since the total amounts which Phare can contribute to the achievement of these national and regional priorities is limited, Poland has proposed a combination of (a) a Sectoral Operational Programme, covering the entire country, composed of Human Resources development measures and the promotion of SME development and Technical Assistance, in combination with (b) an Integrated Regional Operational Programme, composed of regional HRD, SME and business related infrastructure measures, which were carefully screened to ensure that these would have a local character only and would not overlap with other Community assistance.

All projects proposed by Poland for this programme were therefore examined to see whether they were relevant to the NDP priorities, whether they would have an impact on economic and social cohesion, whether they were cost-effective, and technically and institutionally ready.

**Sectoral Operational Programme for SMEs, HRD and TA**

**Project 06.01: Sectoral HRD project:** in close association with the regional and local authorities and labour offices in Poland, this project will cofinance the promotion of employability, adaptability, entrepreneurism and equal opportunities and be implemented as a horizontal-national ESF type of programme of measures. The project is intended to address significant problems on the Polish labour market, notably unemployment among young people, problems of social exclusion, skill gaps and quality of human resources and will therefore contribute to the shaping of Poland’s employment policy in line with the acquis. The project will also strengthen the administrative capacities of the relevant authorities and service providers to implement ESF programmes after accession. In continuation of similar Phare 2000 and 2001 projects, this project will cofinance technical assistance, training, vocational training services, needs and opportunities assessments, coaching and vocational guidance for the promotion of employability of young job seekers, social and labour market integration of risk groups, and integration and re-integration of women in the labour market, and advisory services on management, monitoring and evaluation of these measures. The project will be implemented under the guidance of the future ESF unit within the Ministry of Labour. Some of these services, notably towards young job seekers and risk groups, should be provided in the form of grant agreements between the Implementing Agency and individual poviat labour offices and selected service providers in line with Phare rules and procedures.

**Project 06.02: SME and Innovation sectoral programme:** in close association with the regional and local authorities in Poland, this project will cofinance the provision of an appropriate mix of services and direct financial assistance to SMEs, organised as grants towards individual company support and group events. Under the national SME development scheme, targeted training, advisory, information and financial instruments (consulting and investment grants) will be provided to SMEs through the Polish Agency for Enterprise Development and its selected windows for key SME development priorities, notably access to technology for business development, introduction to quality,
and financing for growth. Under the innovation support scheme, consulting grants and investment grants will be provided for two priority areas: paths from innovation to business and accessing innovative services. In continuation of similar Phare cofunded schemes in previous years, any service providers and intermediary regional financial institutions will be accredited and, if necessary, be the subject of an audit, and corrective action taken where necessary, to ensure that the grant schemes referred to above can be properly managed. This will take place before the Implementing Agency enters into grant agreements with these intermediary institutions.

Project 06.03: TA for ESC: this project will cofinance technical assistance for project preparation and management of projects financed and to be financed by Phare cofunded Economic and Social Cohesion programmes. This will include a considerable training component for the staff of regional and local authorities of the regions concerned that will be involved in the implementation and management of these programmes. In addition, the project will cofinance technical assistance to allow the further development of a monitoring system and to ensure that projects are monitored in the field.

Integrated Regional Operational programme Part I

In addition to the Sectoral Operational Programme described above, Phare funding will be provided as cofinancing towards the following projects as part of an Integrated Regional Operational Programme, composed of regional HRD, SME and business related infrastructure measures:

Project 06.04: Regional HRD project: in close association with the sectoral HRD project, described above, this project will cofinance the promotion of employability, adaptability and entrepreneurship as particular needs of individual regions and should be regarded as a pilot implementation of regional ESF type measures. Similarly to the sectoral project, it is intended to address significant problems related to unemployment in Poland. In continuation of similar Phare 2000 and 2001 projects, this project will cofinance technical assistance and training to implement basically the following measures: (a) vocational reorientation of the unemployed and persons at risk; (b) assistance to the development of local employment partnerships; (c) adaptability promotion and training of employees of SMEs; (d) entrepreneurship promotion. All these services will be delivered through service contracts in line with Phare rules and procedures. The emerging ESF unit in the Ministry of Labour will be closely associated with the implementation of this programme so that it can serve as a first hand operational experience of ESF type activities in Poland in the future. This project will also be coordinated with the institution building project for ESF preparation and implementation.

Project 06.05: Enterprise Poland: Regional support programme for SMEs: in close coordination with the sectoral SME project, described above, and in close association with the regional and local authorities concerned, this project will cofinance the provision of an appropriate mix of services and direct financial assistance to SMEs, organised as grants towards individual company support and group events. The company development programme, which will basically be a continuation of similar Phare 2000 and 2001 project, will cofinance small grants to partly finance general and sector specific consulting and information services provided at the individual company level in identified key areas affecting SME business competitiveness and application of the acquis. The investment grant scheme will cofinance small grants in the first instance for SMEs successfully participating in the company development programme, inter alia
related to introduction to quality assurance, innovation and technology development, e-commerce, export promotion, and human resources development. The investment grant will be tied directly to a bank loan. Technical assistance will also be financed to further strengthen regional financial and business support institutions in their efforts to promote SMEs and in the implementation of the measures described above, including the promotion of financial instruments (e.g. credit guarantee funds) and audits of the regional institutions and service providers where necessary. Where a proven track record exists of e.g. local and regional credit guarantee funds, these could also be supported on a case by case basis, provided that clear operational agreements are established beforehand of how these funds will be earmarked for revolving use. In continuation of similar Phare cofunded schemes in previous years, any service providers and intermediary regional financial institutions will be accredited and, if necessary, be the subject of an audit, and corrective action taken where necessary, to ensure that the grant schemes referred to above can be properly managed. This will take place before the Implementing Agency enters into grant agreements with these intermediary institutions.

*Project 06.06: Dolnoslaskie: Economic development of Poniatow:* this project will cofinance business related local road, sewage and other technical infrastructure for the development of 200 ha of business sites situated in Poniatow in the Walbrzych region, which is suffering from a high rate of unemployment, and which needs to attract investors to the area as part of an overall plan to promote job creation in the region.

*Project 06.07: Dolnoslaskie: Industrial route in Wroclaw:* this project will cofinance the first phase of the construction and modernisation of the local access road leading to the south-western economic zone of Wroclaw where a commercial centre is already operating and which needs to be extended to make full use of the 48 ha of investment land currently under development and leading also to a further 50 ha of business sites, where also the Wroclaw Technology Park is being located. The second phase of the planned route will be implemented and financed from the city budget at a later stage.

*Project 06.08: Dolnoslaskie: Tourism development in Podgorzyn:* this project will cofinance technical and sewage treatment infrastructure in Podgorzyn, situated in the Karkonosze mountain range and national park, in order to be able to attract more tourist visitors and to launch new tourist products. This project will also enable to further equip 25 ha of land destined for investment purposes located in the vicinity of the national park. This project is part of an integrated tourism development approach for the region.

*Project 06.09: Lubelskie: SME development in Janow Lubelski:* this project will cofinance infrastructure and sewage works for the development of 120 ha of business areas for SMEs in Janow, including 30 ha around Zalew, so that suitable conditions are created for the development of SMEs in this area, as part of a programme to attract investors to the region.

*Project 06.10: Lubelskie: Improved access to investment areas in Lublin:* this project is the direct continuation of a Phare 2001 project and will cofinance construction works along the national road S-19, so that 24 ha of new investment areas are opened up in the North of Lublin city, thereby allowing the further development of the investment attractiveness of the Bursaki-Rudnik district.

*Project 06.11: Lubuskie: Investor friendly towns:* the objective of this project is to enhance SME investment and tourism attractiveness of the region by establishing
investment zones equipped with appropriate technical infrastructure, which will be partly financed by this project and partly by the town budgets. Five medium sized towns have been selected for this purpose: Gubin, Miedzyrzecz, Kostrzyn, Witnica, and Zielona Gora. In total, the project will increase the industrial areas for investment by around 100 ha.

*Project 06.12: Lubuskie: SME development in Gorzowski:* this project will cofinance local road access and technical infrastructure to develop an investment zone of 60 ha where SMEs will be able to locate their business in various sectors in the boundary of the town of Gorzow. This project is part of an overall plan by the local authorities for economic revival of this area, which has suffered from unemployment and economic restructuring.

*Project 06.13: Lodzkie: SME development in Rawa Mazowiecka:* this project will cofinance local road access and technical infrastructure to develop various industrial service and investment zones amounting in total to 90 ha in the poviat of Rawa Mazowiecka, as part of a plan to attract investors to the area and to improve accessibility of the industrial areas. It is expected that employment in the area will increased considerably as a result of the completion of the project.

*Project 06.14: Malopolskie: Economic development of Kety:* this project will cofinance local road infrastructure works on the by-pass of Kety and thereby provide access to 12 ha of new and existing business sites which will be further developed as a result of this project.

*Project 06.15: Malopolskie: Development of Dobczyce industrial park:* this project will cofinance local access roads and sewage infrastructure works as part of a programme to develop the industrial park of Dobczyce. This will allow the creation of additional business sites and new workplaces.

*Project 06.16: Malopolskie: Economic Development of Tarnow:* this project will cofinance local access road and sewage infrastructure works as part of a programme to develop the tourist and SME infrastructure around Tarnow and provide better access and facilities to the central part of the economic and touristic zone. It is expected that new SMEs and new workplaces will be created as a direct result of this project and that 20 ha of business areas will be developed.

*Project 06.17: Malopolskie: Economic development of Brzesko:* this project will cofinance local access roads and sewage infrastructure works as part of a programme to develop 30 ha of new land for investment by SMEs, in addition to 65 ha of existing business areas, which need to be developed further with the help of this project. It is expected that some 120 SME business sites will be created and further developed as a result of this project.

*Project 06.18: Opolskie: Tourism development in Opole:* this project will cofinance technical and sewage infrastructure as part of an integrated programme for tourism development in Popielow around the Stobrawa Landscape park. This will help develop 54 ha of tourism and investment areas.

*Project 06.19: Opolskie: Development of investment in Glogowek:* this project will help prepare around 110 ha for industrial investors and some 68 ha for services and will
cofinance technical and sewage infrastructure as part of an integrated programme to attract SMEs to the region. It is expected that this will lead to the creation of some 550 work places in a first phase.

Project 06.20: Podkarpackie: Tourism and SME development in Zagorze: this project will help develop 57 ha of land for tourism and investment in Zagorze, situated at the entrance to the Bieszczady mountains. The project will cofinance technical infrastructure and a sewage treatment network in this area, as part of a wider scheme to develop Zagorze as a tourist destination.

Project 06.21: Podkarpackie: SME development in Mielec: this project will cofinance local access roads to 47 ha of investment areas around the town of Mielec, one of the largest industrial centres of South-eastern Poland. This project is part of an industrial restructuring programme taking place in the region and there is a need to attract SMEs with different profiles in industry and trade.

Project 06.22: Podkarpackie: Tourism development in Beskid Niski: this project will cofinance the modernisation of the local road network in the Jaslo powiat and provide easier access to the region, as part of a programme to develop tourism in this mountain area. In particular, the project will provide access to 74 ha of potential investment areas and should result in an overall increase of 10% of the tourists to the region.

Project 06.23: Podlaskie: Improved investment areas in Bialystock: this project is a continuation of Phare 2000 and Phare 2001 projects and will cofinance local road infrastructure works around the commercial centre in the North and West of the city of Bialystock and provide access to 10 ha of new investment areas for SME development. It is expected that 500 new work places will be created as part of a programme to attract investors to the area.

Project 06.24: Podlaskie: Modernisation of road 61: this project is a continuation of Phare 2000 and Phare 2001 projects and is receiving funding also from the World Bank. This project will cofinance local road infrastructure works on the section Barszcze-Netta which will provide access to 20 ha of new investment land. At the same time, the project will facilitate access to the Augustow lake district, which is a tourist destination in the region.

Project 06.25: Podlaskie: Improved access to investment areas in Suwalki: this project will cofinance local access roads and technical infrastructure in order to provide access to 25 ha of business sites in Suwalki, which are foreseen for the development of production, craft, services and trade enterprises. The realisation of this project is needed to attract new investors and is part of an overall plan on the sustainable development of Suwalki town.

Project 06.26: Pomorskie: Improved investment attractiveness in Lebork: this project will cofinance local road and technical infrastructure in order to provide access to 240 ha of industrial areas in the north-west and north-east of Lebork, which is suffering from a high rate of unemployment and industrial restructuring, and which needs to attract investors to the area as part of an overall plan to promote job creation in the region. The project will also facilitate access of tourist visitors to the town of Leba and the coastal regions with the Slowinski National Park.
Project 06.27: Pomorskie: Increased investment attractiveness of Slupsk: this project will cofinance local access roads and technical infrastructure for an area designated for industrial development in the southern part of the city of Slupsk as part of a wider plan to increase the investment opportunities in the region. In particular, the project will be part of an investment promotion scheme to increase the number of SMEs and promote the creation of additional jobs in the Pomerania region.

Project 06.28: Pomorskie: Tourism development in the Gdansk bay: this project will cofinance the construction and modernisation of water and recreation infrastructure facilities in the ring of the Gdansk bay, including, inter alia embankments, piers, sewage collection systems and tourist information centres. These will be public facilities and are destined to enhance tourism along the Baltic coastline, which is becoming the major source of employment in the area. It is expected that this project will contribute to a tourism development programme destined to increase tourist visitors by 10% in the area.

Project 06.29: Swietokrzyskie: Renovation of a post-industrial area: this project will cofinance the reconstruction of local road and other technical infrastructure in a post-industrial area of Ostrowiec, which was formerly used by a steel mill and which the local authorities have earmarked for business development as part of an integrated plan for social and economic development of the poviat and which will include business support actions financed from local funds. The project will constitute the second stage of the renovation of the area which will provide an additional 60 ha of new post-industrial grounds available for investment.

Project 06.30: Warminsko-Mazurskie: SME development in Olsztyn: this project is a continuation of Phare 2000 and 2001 projects and will cofinance infrastructure, a railway bridge and local access roads so that a military zone can be converted into an area of 50 ha for industrial use, SME redevelopment and vocational training facilities. The entire area will become subject of redevelopment and adaptation in various stages and it is necessary to provide better access to the area as part of a programme of SME development in Olsztyn.

Project 06.31: Warminsko-Mazurskie: Ilawa industrial zone development: this project will cofinance local road and technical infrastructure for access to and inside the industrial zone situated along the eastern ring road of Ilawa. This project is part of an ongoing plan of infrastructure development for this area of 55 ha and is accompanied by a wider SME development programme.

Project 06.32: Warminsko-Mazurskie: Development of Elblag sea port: this project will cofinance cargo facilities, yacht infrastructure, road and technical infrastructure. These will be public facilities and will provide better access from water and land to the port of Elblag and thereby create additional opportunities for business and economic development of this area. The project is directly connected with a Phare 2000 project in Elblag and is part of a programme for the development of SMEs in the region.

Project 06.33: Zachodnio-Pomorskie: SME Development in Koszalin: this project will cofinance local road and technical infrastructure in order to provide access to investment areas of 217 ha and the Research and Technology Park on the ringroad of Koszalin. This is the final phase of an on-going investment programme destined to provide facilities for SME development in the region.
Project 06.34: Zachodnio-Pomorskie: SME Development in Bialogard: this project will cofinance water supply, access roads, sewage and other technical infrastructure for the development of investment areas totalling 126 ha for industrial and SME use and which will provide facilities for a business incubator in Bialogard as part of an on-going SME development programme.

Objective 7: Participation in Community Programmes and Agencies

Project 07.01: Participation in Community programmes and agencies: On the basis of Association Council decisions and Agreements, candidate countries may participate in certain European Community programmes and agencies. The Phare programme can be used to help a Candidate Country to meet, on the basis of an increasing contribution from the Candidate Country, part of the costs of participating in those programmes and agencies. As from 2001, these funds will be made available each year as part of the Phare national programme so as to co-finance the financial contribution to be paid by the country to participate in these programmes and agencies in the following year. This programme also includes part of the costs of participating in those programmes for which decisions were taken more recently.

It should be noted that the proposed participation and the related financial contribution are subject in certain cases to the adoption of the relevant Association Council Decisions and/or to the conclusion of the relevant Memoranda of Understanding. A maximum of 10% of the Phare national programme may be used to co-finance participation in Community programmes and Agencies other than the Research and Development framework programme. Participation in the RTD programme does not count towards the 10% limit.

This project provides Phare funding towards the part-financing of the cost of Poland (excluding administrative costs) towards the participation in, inter alia, the following programmes: IDA, SME, Health, Gender Equality, Combating Discrimination, Incentive Measures in Employment, eContent, Customs 2002, EMCDDA.
### 3. Budget (million EUR)

<table>
<thead>
<tr>
<th>Project No.</th>
<th>Project Title</th>
<th>Total Phase</th>
<th>Institution Building</th>
<th>Investment (indicative)</th>
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<tbody>
<tr>
<td>2002/000-S80.01</td>
<td>Objective 1: Strengthen administrative capacity</td>
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<td>1</td>
<td>Strengthen PIFC</td>
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<td>2</td>
<td>Development of ESF management capacities</td>
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<td>3</td>
<td>Preparation for the Cohesion Fund</td>
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<td>4</td>
<td>Equal treatment women and men</td>
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<td>5</td>
<td>Co-ordination of labour market institutions</td>
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<td>6</td>
<td>OHS regarding biological agents at work</td>
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<td>Risk assessment and chemicals control</td>
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<td>3</td>
<td>Improve public procurement rules and practices</td>
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<td>4</td>
<td>Co-ordination of social security systems</td>
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<td>Financial Intelligence Unit</td>
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<td>6</td>
<td>Strengthen administration for benefits in kind</td>
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<td>Recognition of qualifications for medical professions</td>
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<td>Pomorskie: Tourism development in the Gdańsk bay</td>
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<td>Nowetowrzyskie: Renovation of a post-industrial area</td>
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<td>Warminko-Mazurskie: SME development in Olsztyn</td>
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<td>Warminko-Mazurskie: Ilwa industrial zone development</td>
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<td>Warminko-Mazurskie: Development of Elblag sea port</td>
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<td>Zachodniopomorskie: SME Development in Koszalin</td>
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<td>Zachodniopomorskie: SME Development in Bialogard</td>
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<td>56,883</td>
<td>195,376,531</td>
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The total Phare contribution under this programme will therefore not exceed 252,259,531 EUR.

4. Implementation Arrangements

4.1. Financial and Project Management by the Candidate Country

The programme will be managed in accordance with the Phare Decentralised Implementation System (DIS) procedures. The National Aid Co-ordinator (NAC) will have overall responsibility for programming, monitoring and implementation of Phare programmes. The National Authorising Officer (NAO) and the Project Authorising Officers (PAO) will ensure that the programmes are implemented in line with the procedures laid down in the DIS Manual and other instructions of the Commission, and that all contracts are being prepared in accordance with the Practical Guide for PHARE, ISPA and SAPARD. The NAC and the NAO shall be jointly responsible for co-ordination between PHARE (including PHARE CBC), ISPA and SAPARD.

The National Fund (NF) in the Ministry of Finance, headed by the NAO, will supervise the financial management of the programme, and will be responsible for reporting to the European Commission. The NAO shall have overall responsibility for financial management of the PHARE funds. He shall ensure that the PHARE rules, regulations and procedures pertaining to procurement, reporting and financial management as well as Community state aid rules are respected, and that a reporting and project information system is functioning. This includes the responsibility of reporting all suspected and actual cases of fraud and irregularity. The NAO shall have the full overall accountability for the PHARE funds of a programme until the closure of the programme.
4.2. Project size

All projects will be greater than 2 million EUR, except projects 01.06, 02.03 and 06, 03.01 and 02, 04.04, and 05.03, or as agreed otherwise with the Commission.

4.3. Contracting and disbursement deadline

All contracts must be concluded by 30 November 2004. All disbursements must be made by 30 November 2005.

4.4. Recovery of Funds

Any proven irregularity or fraud discovered at any time during the implementation of the programme will lead to the recovery of funds by the Commission.

If the implementation of a measure appears not to justify either a part or the whole of the assistance allocated, the Commission is to conduct an appropriate examination of the case, in particular requesting the beneficiary country to submit its comments within a specified period of time and to correct any irregularity.

Following the examination referred to in the previous paragraph, the Commission may reduce, suspend or cancel assistance in respect of the measures concerned if the examination reveals irregularity, an improper combination of funds or a failure to comply with one of the conditions in the financing memorandum and in particular any significant change affecting the nature or conditions of implementation of the measure for which the Commission’s approval has not been sought. Any reduction or cancellation of the assistance is to give rise to recovery of the sums paid. Where the Commission considers that an irregularity has not been corrected or that all or part of an operation does not justify either all or part of the assistance granted to it, the Commission is to conduct a suitable examination of the case and request the beneficiary country to submit its comments within a specified period. After the examination, if the beneficiary country has undertaken no corrective measures, the Commission may: (a) reduce or cancel any advance; (b) cancel all or part of the assistance granted to the measure. The Commission is to determine the size of a correction taking into account the nature of the irregularity and the extent of any failures in the management and control systems.

Any funds not used by the expiry date of the programme will be recovered by the Commission. A final written declaration with supporting documentation shall be issued by the NAO just after the end of the disbursement period of the Financing Memorandum showing the total amount contracted and disbursed. A final bank reconciliation showing the existing balances in the NF/IA/CFCU shall also be enclosed.

Notwithstanding the recovery of unused and ineligible funds after expiry of the Financing Memorandum, a complementary recovery order may be issued after the final audit of the reliability and consistency of contracts and disbursements as well as their compliance with the provisions of the Financing Memorandum has been carried out, taking into account the independent opinion of the final audit.

The National Authorising Officer will ensure the reimbursement of any unused funds or any sum wrongly paid within sixty calendar days of the date of notification. If the NAO does not repay the amount due to the Community, the beneficiary country shall refund
this amount to the Commission. Interest on account of late payments shall be charged on sums not repaid by applying the rules specified in the Financial Regulation governing the Community Budget.

4.5. Financial Flows

The Commission will transfer funds to the NF in accordance with the Memorandum of Understanding signed between the Commission and Poland in December 1998. Funds will be transferred following requests from the NAO onto a separate bank account, denominated in EUR, which will be opened and managed by the NF in the Central Bank.

4.5.1. Transfer of Funds to the National Fund

A payment of up to 20% of the funds to be managed locally* will be transferred to the NF following signature of the Financing Memorandum and the Financing Agreements (FAs) between the NF and the Implementing Agencies (IAs)/Central Finance and Contracts Unit (CFCU). The provisions foreseen in articles 2 and 13 of the MoU on the NF must also be met. Furthermore, the NAO must submit to the Commission the designation of the PAOs and a description of the system put in place, highlighting the flow of information between the NF and the IA/CFCU and the manner in which the payment function will be carried out.

Two replenishments will be made of up to 30 % of the funds to be managed locally* and the final payment of up to 20% or the full balance of the budget whichever is the lesser amount. The first replenishment will be triggered when 5% of the budget* has been disbursed by the IAs and the CFCU. The second replenishment may be requested when 35% of the total budget* in force has been disbursed. The final third replenishment will be paid when 70% of the total budget* in force is disbursed. Exceptionally the NAO may request an advance payment of more than the percentages mentioned above in accordance with the procedures laid down in the aforesaid Memorandum of Understanding. Save for express prior authorisation from the Commission HQs, no replenishment may be made if the trigger points mentioned above have not been respected.

4.5.2. Transfer of Funds to the Implementing Agencies

The National Fund will transfer funds to IAs, including the Central Financing and Contracting Unit (CFCU), in accordance with Financing Agreements (FAs) signed between the NFs and the IAs/CFCU where applicable. Bank accounts for sub-programmes shall be opened in the name of the relevant Implementing Agency/CFCU in charge of the financial administration of the sub-programme in line with Art. 13 of the MoU on the establishment of the National Fund.

Each individual FA will be endorsed in advance by the European Commission. In cases where the NF is itself the paying agent for the CFCU/IA there will be no transfer of funds from the NF to the CFCU/IA. The CFCU and the IAs must each be headed by a Programme Authorising Officer (PAO) appointed by the NAO after consultation with the

* excluding the amount foreseen for the Community programmes
NAC. The PAO will be responsible for all the operations carried out by the relevant CFCU/IA.

For those contracts with funds retained for a warranty period extending beyond the end of the disbursement period of the programme, the overall total of funds related to those contracts, as calculated by the PAO and established by the Commission, will be paid to the Implementing Agency before the official closure of the programme. The Implementing Agency assumes full responsibility of depositing the funds until final payment is due and for ensuring that said funds will only be used to make payments related to the retention clauses.

The Implementing Agency further assumes full responsibility towards the contractors for fulfilling the obligations related to the retention clauses. Interests accrued on the funds deposited will be paid to the Commission after final payment to the contractors. Funds not paid out to the contractors after final payments have been settled shall be reimbursed to the Commission. An overview of the use of funds deposited on warranty accounts - and notably of the payments made out of them - and of interests accrued will annually be provided by the NAO to the Commission.

4.5.3. Transfer of Funds to the National Fund for Participation in Community Programmes and Agencies

A single advance will be made to the National Fund to cover the full amount of the PHARE part of the financial contribution for participation in Community programmes and agencies. This advance will be made following signature of the Financing Memorandum and upon request from the National Fund.

This advance is separate from the advances made for the rest of the programme. However, it should be noted that the Phare contribution for each programme will only be transferred when the Association Council Decision or Memorandum of Understanding establishing the terms and conditions for participation in that programme is in force.

If there is a delay in the entry into force of some of the Memoranda of Understanding, the payment to the National Fund may be divided into two or more tranches, so that 100% of the funds necessary for the programmes in force can be transferred immediately.

The National Fund will be responsible for transferring the funds back to the Commission, following the call for funds of the Commission’s Directorate General responsible for the programmes concerned and within the deadlines requested.

4.5.4. Interest

In principle, all bank accounts will be interest bearing. Interest will be reported to the European Commission. If the Commission so decides, on the basis of a proposal from the NAO, interest may be reinvested in the Programme.

4.6. Implementing Agencies will be responsible for sub-programmes as follows:

Implementing Authority for CBC programmes: 01.08, 03.03 to 03.07, 06.03, 06.06 to 06.34.
Polish Agency for Enterprise Development: 01.05, 06.01 and 02, 06.04 and 05.
Central Finance and Contracts Unit (CFCU): all other projects.

4.7. Environmental Impact Assessment and Nature Conservation

The procedures for environmental impact assessment as set down in the EIA-directive\(^1\) are fully applicable for all investment projects under PHARE. If the EIA-directive has not yet been fully transposed, the procedures should be similar to the ones established in the above-mentioned directive. If a project would fall within the scope of annex I or annex II of the EIA Directive, the carrying out of the EIA-procedure must be documented\(^2\). If a project is likely to affect sites of nature conservation importance, an appropriate assessment according to Art. 6 of the Habitats-Directive\(^3\) must be documented\(^4\). All investment projects shall be carried out in compliance with the relevant Community environmental legislation. The Project Fiches will contain specific clauses on compliance with the relevant EU-legislation in the field of the environment according to the type of activity carried out under each investment project.

4.8. Special rules for certain components for the programme

**Twinning**

The amounts earmarked for twinning projects will cover the eligible costs (as set down in the DIS instructions) for implementing the work plan agreed between the Member State and the Applicant Country. The eligible costs may include costs incurred by the selected Member State during the preparation of the twinning covenant in the period between signature of the Financing Memorandum and the final notification of the financing approval of the covenant.

**Grant Schemes**

For grant schemes whose procedures and formats are not covered by the current DIS rules, the precise implementation arrangements will be specified in the relevant project fiches in line with the following principles:

- the procedures and formats to be used in the implementation of the schemes and award of the grants will follow the provisions of the Practical Guide. In particular, due care will be given to the selection process of the beneficiary projects, which has to be done at technical level through selection committees composed of experts appointed by the authorities which are co-financing the schemes as well as by the relevant administrations and interest groups involved in the schemes.

- The competent PAO for the programme under which the grant scheme is financed has to retain his/her contractual and financial responsibility for the implementation of the

\(^1\) DIR 85/337/EEC; OJ L 175/40; 5.7.1985; as amended by DIR 97/11/EEC; OJ L 73/5; 14.3.1997

\(^2\) in Annex EIA to the corresponding investment project fiche

\(^3\) DIR 92/43/EEC; OJ 206/7; 22.7.1992

\(^4\) in Annex Nature Conservation to the corresponding investment project fiche
schemes. In particular, the PAO has to formally approve the call for proposals, application forms, evaluation criteria, as well as the selection process and results. The PAO has also to sign the grant contracts with the beneficiaries and to ensure adequate monitoring and financial control under his/her authority and responsibility. With this reservation, the management of the schemes can be decentralised from the PAO to the appropriate bodies at sectoral or regional level.

- The ex ante approval of the Commission (Delegation in Poland) will be required for the call for proposals, application forms, evaluation criteria, the selection procedures (including the composition of the committees) and results (list of projects to be funded). The grant contracts signed by the PAO will be subject to the ex-ante control of the EC Delegation.

- The implementation of the selected projects through the provision of works, supplies and services sub-contracted by the final beneficiaries of the individual grants shall be subject to the procurement regulations in the Practical Guide. The decentralised system established for CBC small projects is to be applied to all such contracts below 300,000 EUR (or any increased threshold to be fixed by EC Headquarters for small project funds under CBC programmes). Tenders and contracts above this threshold will be presented to the EC Delegation for ex ante approval. The financial commitments in Phare terms will be effected at the date of signature of the grant contracts by the competent PAO. Project implementation and all Phare disbursements are to be done before the expiry date of the present Financing Memorandum.

5. Monitoring and Evaluation

Project implementation of this programme will be monitored through the Joint Monitoring Committee (JMC). It includes the NAO, the NAC and the Commission services. The JMC will meet at least once a year to review all Phare funded programmes in order to assess their progress towards meeting the objectives set out in Financing Memoranda and the Accession Partnership. The JMC may recommend a change of priorities and/or the re-allocation of Phare funds. Furthermore, the JMC will review the progress of all pre-accession EU-funded assistance programmes once a year (PHARE, ISPA and SAPARD).

For the PHARE programme, the JMC will be assisted by Sectoral Monitoring Sub-Committees (SMSC) which will include the NAC, the PAO of each Implementing Agency (and of the CFCU where applicable) and the Commission Services. The SMSC will review in detail the progress of each programme, including its components and contracts, assembled by the JMC into suitable monitoring sectors. Each sector will be supervised by one SMSC on the basis of regular monitoring reports produced by the Implementing Agency, and interim evaluations undertaken by independent evaluators. The SMSC will put forward recommendations on aspects of management and design, ensuring these are effected. The SMSC will report to the JMC, to which it will submit overall detailed opinions on all Phare financed programmes in its sector.

The Commission services shall ensure that an ex-post evaluation is carried out after completion of the Programme.
6. Audit and Anti-Fraud Measures

6.1. By the Candidate Countries

Each year an audit plan and a summary of the findings of the audits carried out shall be sent to the Commission. Audit reports shall be at the disposal of the Commission.

Appropriate financial control shall be carried out by the competent national financial control authority with respect to the implementation of the programme.

Beneficiary countries shall ensure investigation and satisfactory treatment of suspected and actual cases of fraud and irregularity following national or Community controls.

Irregularity shall mean any infringement of a provision of Community law resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the general budget of the Communities or budgets managed by them, either by reducing or losing revenue accruing from own resources collected directly on behalf of the Communities, or by an unjustified item of expenditure.

Fraud shall mean any intentional act or omission relating to:

(i) the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the general budget of the European Communities or budgets managed by, or on behalf of, the European Communities,

(ii) non-disclosure of information in violation of a specific obligation, with the same effect,

(iii) the misapplication of such funds for purposes other than those for which they are originally granted.

The national authorities shall ensure the functioning of a control and reporting mechanism equivalent to the one foreseen in Commission Regulation 1681/94.

In particular, all suspected and actual cases of fraud and irregularity as well as all measures related thereto taken by the national authority must be reported to the Commission services without delay. Should there be no suspected or actual cases of fraud and irregularity to report, the beneficiary country shall inform the Commission of this fact at the end of each quarter.

6.2. By the Commission

All financing memoranda as well as the resulting contracts are subject to supervision and financial control by the Commission (including the European Anti-fraud Office) and audits by the Court of Auditors. This includes measures such as ex-ante verification of tendering and contracting carried out by the Delegation in the Candidate Country concerned and on-the-spot checks.

In order to ensure efficient protection of the financial interests of the Community, the Commission may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (Euratom, EC) No. 2185/96.
The accounts and operations of the National Fund, and, where applicable, the CFCU and all relevant Implementing Agencies may be checked at the Commission’s discretion by an outside auditor contracted by the Commission without prejudice to the responsibilities of the Commission and the European Union's Court of Auditors as referred to in the “General Conditions relating to the Financing Memorandum” attached to the Framework Agreement.

7. Visibility/Publicity

The appropriate Programme Authorising Officer will be responsible for ensuring that the necessary measures are taken to ensure appropriate publicity for all activities financed from the programme. This will be done in close liaison with the Commission Delegation. Further details are set down in the Annex “Visibility/Publicity”.

8. Special conditions

In the event that agreed commitments are not met for reasons which are within the control of the Government of Poland, the Commission may review the programme with a view, at the Commission’s discretion, to cancelling all or part of it and/or to reallocate unused funds for other purposes consistent with the objectives of the Phare programme.
ANNEX D
INFORMATION AND PUBLICITY FOR THE PHARE, ISPA AND SAPARD PROGRAMMES OF THE EUROPEAN COMMUNITIES

1. Objective and scope

Information and publicity measures concerning assistance from the European Community Phare Programme are intended to increase public awareness and transparency of EU action and to create a consistent image of the measures concerned in all applicant countries. Information and publicity shall concern measures receiving a contribution from the Phare Programme.

2. General principles

The appropriate Programme Authorising Officer in charge of the implementation of Financing Memoranda, and other forms of assistance shall be responsible for publicity on the spot. Publicity shall be carried out in co-operation with the EC Delegations, which shall be informed of measures taken for this purpose.

The competent national and regional authorities shall take all the appropriate administrative steps to ensure the effective application of these arrangements and to collaborate with the EC Delegations on the spot.

The information and publicity measures described below are based on the provisions of the regulations and decisions applicable to the Structural Funds. They are:


Specific provisions concerning ISPA are included in:


Information and publicity measures must comply with the provisions of the above mentioned regulation and decision. A manual on compliance is available to national, regional and local authorities from the EC Delegation in the country concerned.

3. Information and publicity concerning Phare programmes

Information and publicity shall be the subject of a coherent set of measures defined by the competent national, regional and local authorities in collaboration with the EC Delegations for the duration of the Financing Memorandum and shall concern both programmes and other forms of assistance.

The costs of information and publicity relating to individual projects shall be met from the budget for those projects.
When Phare programmes are implemented, the measures set out at (a) and (b) below shall apply:

(a) The competent authorities of the applicant countries shall publish the content of programmes and other forms of assistance in the most appropriate form. They shall ensure that such documents are appropriately disseminated and shall hold them available for interested parties. They shall ensure the consistent presentation throughout the territory of the applicant country of information and publicity material produced.

(b) Information and publicity measures on the spot shall include the following:

(i) In the case of infrastructure investments with a cost exceeding EUR 1 million:

- billboards erected on the sites, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

- permanent commemorative plaques for infrastructures accessible to the general public, to be installed in accordance with the provisions of the regulation and decision mentioned in paragraph 2 above, and the technical specifications of the manual to be provided by the EC Delegation in the country concerned.

(ii) In the case of productive investments, measures to develop local potential and all other measures receiving financial assistance from Phare, Ispa or Sapard:

- measures to make potential beneficiaries and the general public aware of Phare, Ispa or Sapard assistance, in accordance with the provisions cited at paragraph 3(b)(i) above.

- measures targeting applicants for public aids part-financed by Phare, ISPA or SAPARD in the form of an indication on the forms to be filled out by such applications, that part of the aid comes from the EU, and specifically, the Phare, ISPA or SAPARD Programmes in accordance with the provisions outlined above.

4. Visibility of EU assistance in business circles and among potential beneficiaries and the general public

4.1 Business circles

Business circles must be involved as closely as possible with the assistance, which concerns them most directly.

The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to potential beneficiaries, particularly SMEs. These should include an indication of the administrative procedures to be followed.

4.2 Other potential beneficiaries
The authorities responsible for implementing assistance shall ensure the existence of appropriate channels for disseminating information to all persons who benefit or could benefit from measures concerning training, employment or the development of human resources. To this end, they shall secure the co-operation of vocational training bodies involved in employment, business and groups of business, training centres and non-governmental organisations.

Forms

Forms issued by national, regional or local authorities concerning the announcement of, application for and grant of assistance intended for final beneficiaries or any other person eligible for such assistance shall indicate that the EU, and specifically the Phare, Ispa or Sapard Programmes, is providing financial support. The notification of aid sent to beneficiaries shall mention the amount or percentage of the assistance financed by the Programme in question. If such documents bear the national or regional emblem, they shall also bear the EU logo of the same size.

4.3 The general public

The media

The competent authorities shall inform the media in the most appropriate manner about actions co-financed by the EU, and Phare, ISPA or SAPARD in particular. Such participation shall be fairly reflected in this information.

To this end, the launch of operations (once they have been adopted by the Commission) and important phases in their implementation shall be the subject of information measures, particularly in respect of regional media (press, radio and television). Appropriate collaboration must be ensured with the EC Delegation in the applicant country.

The principles laid down in the two preceding paragraphs shall apply to advertisements such as press releases or publicity communiqués.

Information events

The organisers of information events such as conferences, seminars, fairs and exhibitions in connection with the implementation of operations part-financed by the Phare, Ispa or Sapard Programmes shall undertake to make explicit the participation of the EU. The opportunity could be taken of displaying the European flags in meeting rooms and the EU logo upon documents depending on the circumstances. The EC Delegation in the applicant country shall assist, as necessary, in the preparation and implementation of such events.

Information material

Publications (such as brochures and pamphlets) about programmes or similar measures financed or co-financed by Phare, Ispa or Sapard should, on the title page, contain a clear indication of the EU participation as well as the EU logo where the national or regional emblem is used.

Where such publications include a preface, it should be signed by both the person responsible in the applicant country and, for the Commission, the Delegate of the Commission to ensure that EU participation is made clear.
Such publications shall refer to the national and regional bodies responsible for informing interested parties.

The above-mentioned principles shall also apply to audio-visual material.

5. Special arrangements concerning billboards, commemorative plaques and posters

In order to ensure the visibility of measures part-financed by the Phare, Ispa or Sapard Programmes, applicant countries shall ensure that the following information and publicity measures are complied with:

Billboards

Billboards providing information on EU participation in the financing of the investment should be erected on the sites of all projects in which EU participation amounts to EUR 1 million or more. Even where the competent national or regional authorities do not erect a billboard announcing their own involvement in financing the EU assistance must nevertheless be announced on a special billboard. Billboards must be of a size which is appreciable to the scale of operation (taking into account the amount of co-financing from the EU) and should be prepared according to the instructions contained in the technical manual obtainable from EC Delegations, referred to above.

Billboards shall be removed not earlier than six months after completion of the work and replaced, wherever possible, by a commemorative plaque in accordance with the specifications outlined in the technical manual referred to above.

Commemorative plaques

Permanent commemorative plaques should be placed at sites accessible to the general public (congress centres, airports, stations, etc.). In addition to the EU logo, such plaques must mention the EU part financing together with a mention of the relevant Programme (Phare, Ispa or Sapard).

Where a national, regional or local authority or another final beneficiary decides to erect a billboard, place a commemorative plaque, display a poster or take any other step to provide information about projects with a cost of less than EUR 1 million, the EU participation must also be indicated.

6. Final provisions

The national, regional or local authorities concerned may, in any event, carry out additional measures if they deem this appropriate. They shall consult the EC Delegation and inform it of the initiatives they take so that the Delegation may participate appropriately in their realisation.

In order to facilitate the implementation of these provisions, the Commission, through its Delegations on the spot, shall provide technical assistance in the form of guidance on design requirements, where necessary. A manual will be prepared in the relevant national language, which will contain detailed design guidelines in electronic form and this will be available upon request.